

# The Future of Pest Management?

This is a summary of the keynote presentation from FAOPMA-Pest Summit 2018

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**A**t the recent FAOPMA-Pest Summit 2018 conference in China, my presentation focused on the future of pest management. I lightly touched on potential disrupters to traditional business models, notably technology that is currently being employed that connects service providers (i.e. pest management companies) to the customer. I loosely, and without much thought, titled this “The Uber Effect”. Over the course of the conference, I had a number of people ask about this emerging trend and were after more information on the topic. This article expands on the above presentation. It aims to answer some of the questions people have about the emergence of “on-demand service”.

It has only been several months since the idea was presented. However, I am now frequently coming across examples of how this digital disrupter (i.e. the “Uber Effect”) could be, and is being used in our industry. In fact this effect is apparent in many logistically similar service based industries today.

What is even more impressive, is the amount of capital and investment being raised by these start-up businesses and their resulting valuations. Several of the companies are now worth more than USD\$1 billion. Perhaps this is not overly surprising, given how rapidly the “on demand service” sector is growing, with global estimates of USD\$22 billion in 2015 to USD\$35 billion in 2017, and USD\$57 billion by the

end of last year.

The “on demand” economy, also now referred to as the “access economy” and “Online to Offline” (O2O), is changing the face of industries. The way Netflix destroyed the DVD rental market, and Napster and iTunes wiped out retail music stores, the “Uberisation” of service industries will impact pest management too. Not unlike ‘Aggregator’ or directory sites like ‘One-Flare’, ‘Hipages’, ‘ServiceSeeking’, and ‘Airtasker’, these new and emerging platforms will provide greater value for the service provider and greater convenience for the consumer.

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*In the future customers will find pest managers via digital platforms, much like we use Uber...*

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In the USA, Amazon has thrown its hat in the ring with ‘Amazon Home Services’ that currently includes pest control services. Digital platforms like ‘Thumbtack.com’ currently lists more than 1,100 types of services on offer. JungleWorks.com and HouseCallPro.com are just two of the many start-ups that are offering a full suite of back end tools and technology for pest management businesses. This will allow them to build an “on-demand home services” business on one of the

many available platforms.

In China, 'Ayibang' has joined forces with 'Guanjiabang' to provide home services and home help to over 300 million Chinese homes, on both a scheduled, and an on-demand service, via a digital platform. 'WeChat' is also a contender in the ultra-competitive and emerging Chinese market to develop an on-demand home services following.

In many parts of the world, the traditional workplace is changing, especially in economies that are moving from manufacturing to services. Technology is enabling people to work productivity and creativity from, and across, all corners of the globe. Companies can source globally for cost effective skills, such as software development in India or Vietnam, and call centre and help desk operators from the Philippines. Skilled service providers and subject experts can also offer their services to almost any employer globally via the myriad of collaboration platforms that are currently available. Some of the big platform names include:

- Airtasker.com
- Export 360.com
- Upwork.com.com
- Thumbtack.com
- Iworkyou.com
- Plus, specialty peer to peer on demand workforce platforms

These new and evolving platforms are gaining popularity. They are servicing an ever increasing industry and consumer base. Moreover, they will continue to grow as they are meeting a need, or a niche, that current traditional employment arrangements don't meet, and current business models can't compete with. They offer:

- Convenience
- Usually low cost for the consumer
- Flexibility for the vendor
- Are outside most government regulations or tax systems

Currently most of these platforms are suited to professional service providers, such as computer based tasks. However, a number of platforms are emerging that are labour and specialist trade-based services, such as 'Airtasker', 'Thumbtack', and 'Weploy'. These platforms are rapidly gaining momentum and users due to their low cost and ease of use. For many

smaller or independent operators, they solve a major problem, in that they can replace complex and expensive digital marketing (e.g. Google and social media, and automated marketing like 'HubSpot') and be their sole source of work/leads.

An analogy to the potential future of service based industries is the history of the taxi.

Initially only the very wealthy had cars. Then taxis arrived that gave the convenience of a car at a fraction of the cost. Uptake was rapid and the industry was born. Then the taxi market evolved to have low cost taxis at one end and chauffeured limousines at the other end. Whilst taxis remained relatively cheap, their "service" declined to the bare minimum. At the other end, limousines and chauffeured cars provided exceptional and reliable service, but at the high cost that few could afford. However, everyone aspired to be driven in a limousine!

Then out of nowhere came Uber. They virtually offered a limousine service. They made the passenger feel safe in a clean vehicle and at a cost less than a taxi. They did this with a platform that both leveraged technology, but importantly tapped into a new workforce that wanted to work on their own terms, when they wanted, and thus in a highly flexible manner. Uber offered them the job security of a big corporation with the flexibility of a small business owner, without the risk of starting a business. Uber has been so successful, that the limousine industry came to them and asked, "How can we be a part of this?" The result was 'Uber Black'.

Is it so hard to imagine a similar scenario in the pest management industry in the future?

Thus our workforce would log on and off like an Uber driver, and be ready to deliver the service. Our customers order services via an app, when and where they need it. All the payments and documentation then occur seamlessly in the background.

I leave you with that thought. ■

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